



# HAWAII STATE ETHICS COMMISSION

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## NEWS RELEASE

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### **HAWAII STATE ETHICS COMMISSION'S EXECUTIVE DIRECTOR LAUDS ENACTMENT OF SENATE BILL NO. 439, RELATING TO ADMINISTRATIVE FINES UNDER THE STATE ETHICS CODE, AS ACT 207, SIGNED INTO LAW YESTERDAY, JUNE 20, 2006, BY ACTING GOVERNOR DUKE AIONA**

For the first time since its inception on January 1, 1968, the Hawaii State Ethics Commission will have the power to impose fines for violations of the Hawaii State Ethics Code. The State Ethics Code is set forth in chapter 84 of the Hawaii Revised Statutes.

Yesterday, Acting Governor Duke Aiona signed S.B. No. 439, Relating to Administrative Fines under the State Ethics Code, into law as Act 207. The new law gives the Hawaii State Ethics Commission the authority to assess a fine **not to exceed \$500** for each violation of any provision of the State Ethics Code.

The Commission's Executive Director, Daniel J. Mollway, hailed the new law as a milestone in the enforcement of the State Ethics Code. Prior to enactment of the law, the Hawaii State Ethics Commission could only, after a formal hearing, make a finding that the State Ethics Code had been violated. After that point, it was up to the state agency where the state official or state employee worked to determine the appropriate disciplinary action, if any.

Mollway stated that this "bifurcated" system for enforcing the State's ethics laws was too ephemeral, and served as a poor deterrent to ethical abuses. Further, a state official or state employee could avoid disciplinary action simply by retiring or changing jobs.

According to Mollway, the new law avoids leaving the enforcement of the State Ethics Code up to chance. Mollway also noted that it simply makes common sense for the State Ethics Commission to have fining authority, since the Commission is responsible for determining whether the State's ethics laws had been violated in the first place.

Mollway stated that he believes the new law will be an effective deterrent against ethical abuses by giving the Hawaii State Ethics Commission itself, from this point forward, the power to sanction violations of the State Ethics Code.

Act 207 took effect upon being signed into law, but only applies to new cases, and not cases currently before the Commission.

Mollway praised the Legislature for passing the bill out of the Legislature this session, and especially praised the House and Senate Conferrees (Representatives Luke and Magaoay, Senators Hanabusa, Ihara, and Whalen) for their hard work on the bill. Mollway also praised Governor Lingle and Lieutenant Governor Aiona for their support of the bill, and for signing the bill into law.

Mollway stated that enactment of this new law resulted in significant ethics reform legislation this legislative session, and that the Hawaii State Ethics Commission has now entered into a new era of ethics law enforcement.

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